

District I

625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
October 13, 2009

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>		<p>WELL API NO. 30-015-26185</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Yates Petroleum Corporation</p>		<p>6. State Oil & Gas Lease No. LG-1525</p>
<p>3. Address of Operator 105 South Fourth Street, Artesia, NM 88210</p>		<p>7. Lease Name or Unit Agreement Name Dee 36 SW</p>
<p>4. Well Location Unit Letter <u>M</u> : <u>940</u> feet from the <u>South</u> line and <u>990</u> feet from the <u>West</u> line Section <u>36</u> Township <u>19S</u> Range <u>24E</u> NMPM <u>Eddy</u> County</p>		<p>8. Well Number 2</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3619'GR</p>		<p>9. OGRID Number 025575</p>
		<p>10. Pool name or Wildcat North Dagger Draw Upper Penn</p>

RECEIVED
NOV 13 2009
NMOCD ARTESIA

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: ☐

Notify NMOCD 24 hrs. prior to any work done.

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation plans to plug and abandon this well as follows:

- MIRU WSU. NU BOP. RU all safety equipment as needed. No casing recovery will be attempted.
- Set a CIBP at 7625' with 35' cement on top.
- Spot 160' plug from 5264'-5424' across Wolfcamp top.
- Spot 140' plug from 4135'-4275' across Abo top.
- Spot 120' plug from 1986'-2106' across Glorieta top.
- Spot 100' plug from 1155'-1255' across surface casing shoe. WOC and tag plug, reset if necessary.
- Spot 150' plug to the surface. WOC and tag plug, reset if necessary.
- Remove all surface equipment and weld dry hole marker per regulations.

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE November 10, 2009

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE Approval Granted providing work is complete by 8/12/10 DATE 11/17/09

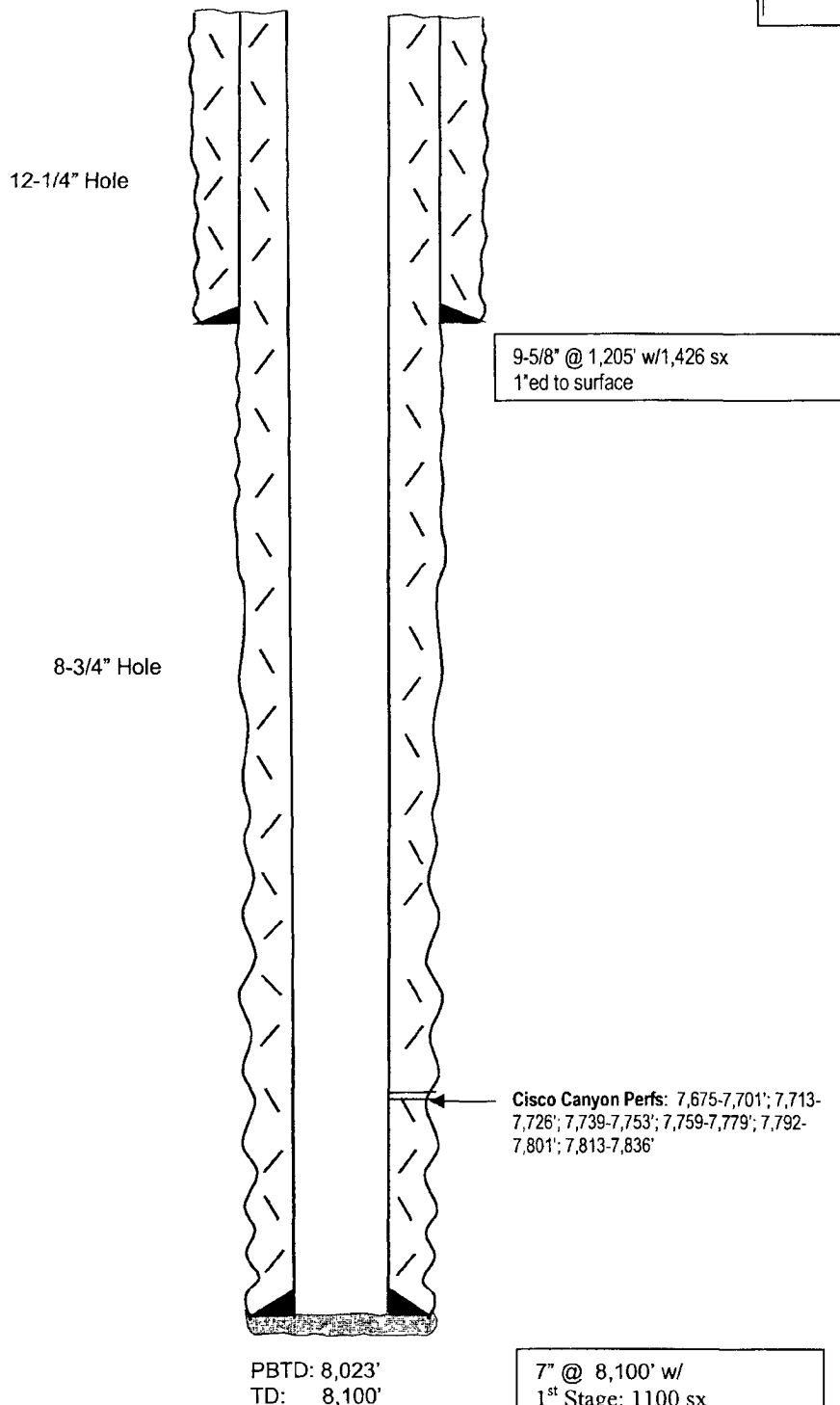
Conditions of Approval (if any):

WELL NAME: Dee 36 SW #2 **FIELD:** Dagger Draw
LOCATION: 940' FSL & 990' FWL of Section 36-19S-24E Eddy Co., NM
GL: 3,621' **ZERO:** 14 **KB:** 3635
SPUD DATE: 1/15/90 **COMPLETION DATE:** 2/26/90
COMMENTS: API No.: 30-015-26185

CASING PROGRAM

9-5/8" 36#	<u>1,205'</u>
7" 26#	<u>8,100'</u>

Before



TOPS	
SA	515'
Glorieta	2,056'
Abo	4,225'
WC	5,374'
Cisco	7,560'

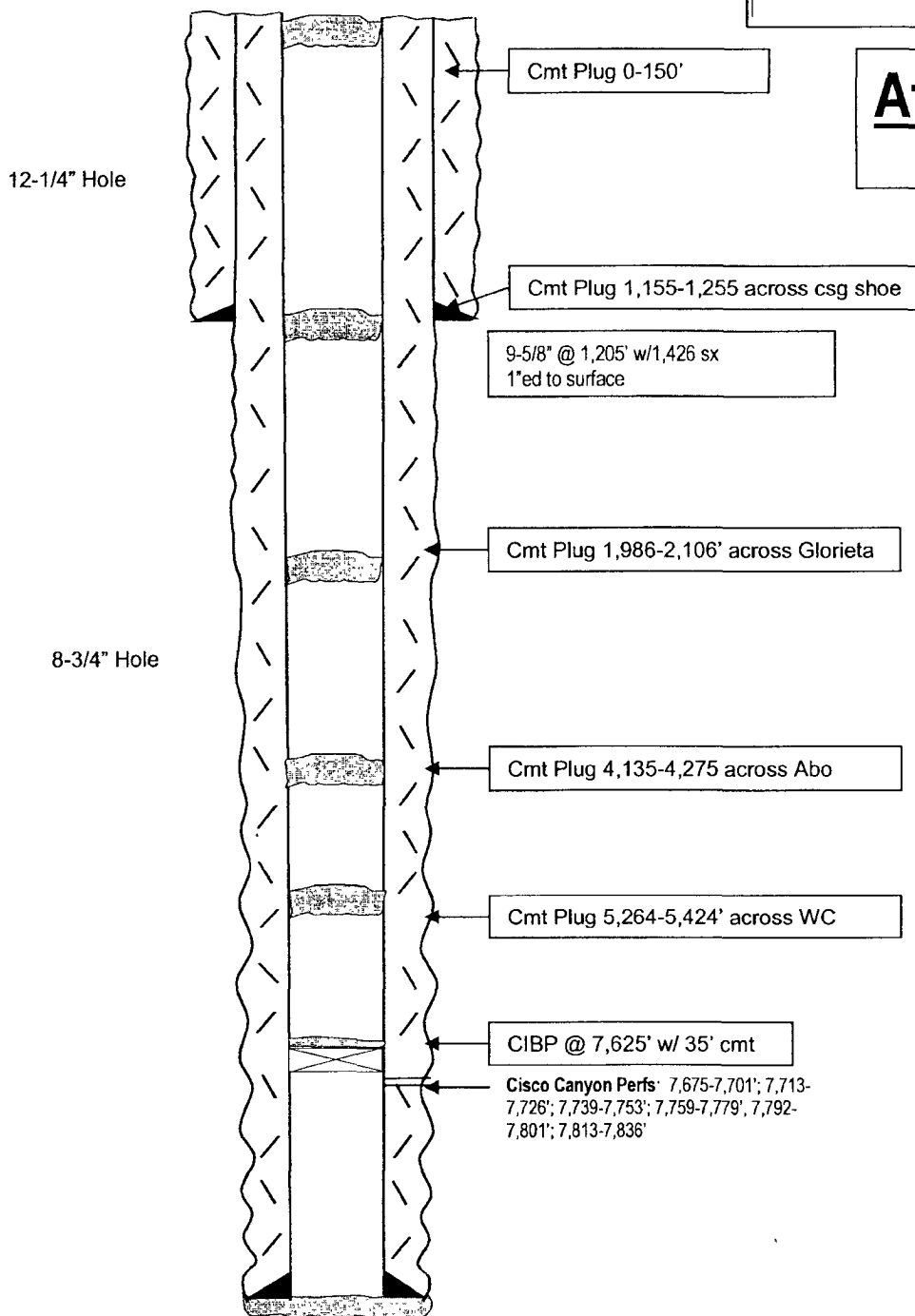
7" @ 8,100' w/
 1st Stage: 1100 sx
 2nd Stage: 1050 sx (Circ)

Not to Scale
 10/14/09
 DC/Hill

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